THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (d) As a result of sudden spurt in the prices of cotton and cotton yarn leading to the stoppage of production of a large number Of powerloom/handloom units in various regions of the country, the Government of India, on 18-1-94, stopped the export of the unutilised export quota of cotton. The Government' again reviewed the situation in the light of the extreme hardship to handloom and powerloom weavers and on 9th February 1994 temporarily suspended export in respect of the quantity of cotton already contracted for export but not yet shipped. All these measures had a sobering effect, and the rising trend of cotton and cotton yarn prices has been largely arrested.

The Government, has received representations from the World Cotton Exporter's Association and other importers requesting for review of the suspension order. The Government is, however, for the present, keeping a close watch on the cotton situation.

Textile Research Association's Plan for modernisation of sick NTC Units

991. SHRI SURESH KALMADI: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the Textiles Research Association has submitted a plan for modernisation of the National Textile Corporation's sick units;

(b) if so, what are the details of the plan; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (c) The Cotton Textile Research Associations have, on the advice of the Ministry of Textiles, prepared a scheme for the modernisation of 79 mills of NTC at an expenditure to Rs. 2005.67 crores. The scheme has been submitted to the Special Committee for consultation on NTC matters and would require approval of the Board for Industrial & Financial Reconstruction under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985.

Duty Free Import of Cotton

992. SHRI KRISHNA KUMAR BIRLA SHRI GHUFRAN AZAM:

Will the Minister of TEXTILES be pleased to state:

(a) whether Government have a proposal to permit duty-free import of cotton for handloom weavers;

(b) whether Government have directed the State Governments to take stern action against cotton hoarders;

(c) if so, whether the permission to import cotton will check the price rise of cotton; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) The Government has permitted duty free import of five lakh bales of cotton by the spinning mills.

(b) Yes, Sir.

(c) and (d) It is expected that with the import of cotton, pressure on domestic availability and prices of cotton will ease.

Procurement of Cotton

993. SHRI BHUPINDER SINGH MANN: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Government agencies withdraw from the market especially from Punjab market, so as to help textile industry to procure cotton of a lower price; and